

June 24, 2010

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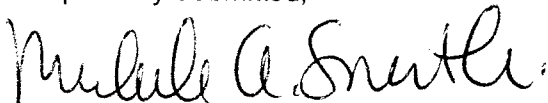
Attn: Compliance Tracker, AE-17J
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

RE: Consent Decree Civil Action No. 1:09-CV-545
Effective Date February 4, 2010

Dear Sirs:

Please find attached the *Amended* Quarterly Report for First Quarter 2010. Please contact me at (513) 467-2470 or michele.smith@lustran-polymers.com if you have any questions concerning the submitted information.

Respectfully Submitted,



Michele A. Smith, P.E.
Environmental Specialist
INEOS ABS (USA) Corporation

cc: M. Palmero, USEPA Region 5
T. Kalman, OEPA
G. Bachmann, Ohio AG
M. Kramer, HCDOES

INEOS ABS (USA) CORPORATION'S ADDYSTON, OH PLANT
CONSENT DECREE QUARTERLY REPORT

Consent Decree Civil Action No. 1:09-CV-545

Effective Date February 4, 2010

Reporting Period: 02/04/10 – 03/31/10 – **AMENDED 06/24/10**

I. INTRODUCTION

The following report has been modified to reflect a revised scope for Quarterly Reports which contains the required information about INEOS ABS' compliance activities. By agreement of the parties and for the purpose of clarifying language in the Consent Decree, all future Quarterly Reports shall contain this information associated with the requirements in Paragraph 50a. and 50 b. in the Consent Decree.

II. LEAK DETECTION AND REPAIR (LDAR) REPORTING OBLIGATIONS

Per Appendix A of the Consent Decree, INEOS ABS submitted the following reports to the U.S. EPA and Ohio EPA:

A. COMPLIANCE STATUS REPORTS

No compliance status reports were required to be submitted during this period.

B. CORRECTIVE ACTION PLANS

No corrective action plans were required to be submitted during this period.

C. CERTIFICATE OF COMPLIANCE

No certificate was required to be submitted during this period.

III. FLARE MONITORING INSTRUMENTS REPORTING OBLIGATIONS

Per Paragraph 23 of the Consent Decree, INEOS ABS submitted the following reports to the U.S. EPA and Ohio EPA:

- January 2010 Report submitted on February 11, 2010. This report was submitted by the 15th of the month as previously required by a CAA Information Request from 2007.
- February 2010 Report submitted on March 9, 2010
- March 2010 Report submitted on April 5, 2010

IV. NONCOMPLIANCE WITH CONSENT DECREE

A. Net Heating Value Below 385 BTU/scf – Letter Dated March 9, 2010

From the Effective Date of the Consent Decree (February 4, 2010) until February 17, 2010, there were periods of time that the Net Heating Value of the Vent Gas sent to the Flare was less than the required 385 BTU/scf as a one-hour block average as required by Paragraph 18.b. This noncompliance was recognized on February 10, 2010 and corrective action was taken to re-write computer logic to

increase the supplemental natural gas addition in order to meet this requirement. The corrective action was completed on February 17, 2010.

B. LDAR Missed and Late Monitoring – Letter Dated April 1, 2010

Two pumps in the LDAR program and on the Delay of Repair list were not monitored in February 2010 as required by Paragraph 17.b. in Appendix A of the Consent Decree. In addition, two valves were not repaired within the required timeframes. One valve was repaired within five days, but was not re-screened for verification until two days past the five day deadline. One valve was finally repaired within the fifteen days, but was not re-screened for verification until three days past the fifteen day deadline. These issues were uncovered in the required LDAR quarterly Quality Control/Quality Assurance audit conducted in the first quarter of 2010.

C. LDAR Missed Monitoring – Letter Dated April 15, 2010

Seven valves were not monitored in the first quarter 2010. As we have continued to improve our LDAR program, we have on occasion found valves and/or connectors that had not been in the program previously. When this occurs, we immediately add them into the LDAR program and perform monitoring. Seven valves were discovered on April 9, 2010, and were subsequently added into the LDAR program. These valves were monitored on April 10, 2010.


D. LDAR Missed Monitoring and Inspections – Letter Dated May 11, 2010

During the second quarter 2010 monitoring in Process Unit P021, it was discovered that seven valves had not been monitored in first quarter 2010, as they had not been identified as being a part of the LDAR program. These valves were added into the LDAR program and subsequently monitored. In addition, it appears that historically, weekly visual inspections of agitators had not been completed throughout the plant as required by 40 CFR 63.173(b)(1). This issue was uncovered in follow-up activities associated with the required LDAR quarterly Quality Control/Quality Assurance audit conducted in the first quarter of 2010. Weekly inspections of agitators started the week of May 10, 2010.

V. CERTIFICATION

I certify under penalty of law that I have examined and am familiar with the information in the enclosed documents, including all attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment pursuant to Section 113(c)(2) of the Act, and 18 U.S.C. §§ 1001 and 1341.

Respectfully Submitted,


Clinton Herring
General Manager, NAFTA
INEOS ABS (USA) Corporation